

AMENDED IN ASSEMBLY AUGUST 23, 2006

AMENDED IN SENATE MAY 3, 2006

AMENDED IN SENATE MARCH 30, 2006

SENATE BILL

No. 1690

Introduced by Senator Romero

February 24, 2006

An act to amend ~~Section~~ *Sections 2655 and 10214.5* of the Unemployment Insurance Code, relating to ~~employment training panel~~ *unemployment insurance, and making an appropriation therefor.*

LEGISLATIVE COUNSEL'S DIGEST

SB 1690, as amended, Romero. ~~Employment Training Panel:~~ *Unemployment insurance: disability compensation and employment training contracts.*

(1) Existing unemployment compensation disability law provides a formula for determining benefits available to qualifying disabled individuals. For an individual who has quarterly base wages of greater than \$1,749.20, the weekly benefit is calculated by multiplying base wages by 55% and dividing the result by 13. For a benefit that is not a multiple of \$1, existing law provides that the benefit shall be computed to the next higher multiple of \$1. However, existing law provides that this amount may not exceed the maximum workers' compensation temporary disability indemnity weekly benefit amount.

This bill would provide that, notwithstanding the limitation placed on the workers' compensation disability indemnity weekly benefit amount, any benefit that is not a multiple of \$1 shall be computed to the next higher multiple of \$1. Because this bill would increase the amount payable from the Unemployment Compensation Disability

Fund, a continuously appropriated special fund, this bill would make an appropriation.

~~Under~~

(2) *Under* existing law, the Employment Training Panel has specified duties, including the duty to make contracts for training in job-related vocational skills, as specified. Existing law permits the panel, subject to certain requirements, to allocate a specified percentage of annual training funds for the purpose of funding special employment training projects to improve the skills of frontline workers, as defined.

This bill would authorize the panel to allocate funds for training in job-related vocational skills to increase the productivity and extended retention of workers in the state's major seasonal industries, as defined, and would authorize the panel to waive certain requirements contained in existing law under specified conditions.

Vote: majority. Appropriation: ~~no~~-yes. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 *SECTION 1. Section 2655 of the Unemployment Insurance*
2 *Code is amended to read:*

3 2655. (a) Except as provided in subdivisions (b), (c), and (d),
4 an individual's "weekly benefit amount" shall be the amount
5 appearing in column B in the table set forth in this subdivision on
6 the line of which in column A of the table there appears the wage
7 bracket containing the amount of wages paid to the individual for
8 employment by employers during the quarter of his or her
9 disability base period in which wages were the highest.

10

| 11 | A | B |
|----|---------------------|----------------|
| 12 | Amount of wages in | Weekly benefit |
| 13 | highest quarter | amount |
| 14 | \$75–1,149.99..... | \$50 |
| 15 | 1,150–1,174.99..... | 51 |
| 16 | 1,175–1,199.99..... | 52 |
| 17 | 1,200–1,224.99..... | 53 |
| 18 | 1,225–1,249.99..... | 54 |
| 19 | 1,250–1,274.99..... | 55 |
| 20 | 1,275–1,299.99..... | 56 |

| 1 | A | B |
|----|---------------------|----------------|
| 2 | Amount of wages in | Weekly benefit |
| 3 | highest quarter | amount |
| 4 | 1,300–1,324.99..... | 57 |
| 5 | 1,325–1,349.99..... | 58 |
| 6 | 1,350–1,374.99..... | 59 |
| 7 | 1,375–1,399.99..... | 60 |
| 8 | 1,400–1,424.99..... | 61 |
| 9 | 1,425–1,449.99..... | 62 |
| 10 | 1,450–1,474.99..... | 63 |
| 11 | 1,475–1,499.99..... | 64 |
| 12 | 1,500–1,524.99..... | 65 |
| 13 | 1,525–1,549.99..... | 66 |
| 14 | 1,550–1,574.99..... | 67 |
| 15 | 1,575–1,599.99..... | 68 |
| 16 | 1,600–1,624.99..... | 69 |
| 17 | 1,625–1,649.99..... | 70 |
| 18 | 1,650–1,674.99..... | 71 |
| 19 | 1,675–1,699.99..... | 72 |
| 20 | 1,700–1,724.99..... | 73 |
| 21 | 1,725–1,749.20..... | 74 |

22

23 (b) For periods of disability commencing on or after January

24 1, 1990, and prior to January 1, 1991, if the amount of wages

25 paid an individual for employment by employers during the

26 quarter of his or her disability base period in which these wages

27 were highest exceeds one thousand seven hundred forty-nine

28 dollars and twenty cents (\$1,749.20), the weekly benefit amount

29 shall be 55 percent of these wages divided by 13, but not

30 exceeding two hundred sixty-six dollars (\$266) or the maximum

31 workers' compensation temporary disability indemnity weekly

32 benefit amount, whichever is less. If the benefit payable under

33 this subdivision is not a multiple of one dollar (\$1), it shall be

34 computed to the next higher multiple of one dollar (\$1).

35 (c) For periods of disability commencing on or after January 1,

36 1991, but before January 1, 2000, if the amount of wages paid an

37 individual for employment by employers during the quarter of his

38 or her disability base period in which these wages were highest

39 exceeds one thousand seven hundred forty-nine dollars and

40 twenty cents (\$1,749.20), the weekly benefit amount shall be 55

1 percent of these wages divided by 13, but not exceeding three
2 hundred thirty-six dollars (\$336). If the benefit payable under
3 this subdivision is not a multiple of one dollar (\$1), it shall be
4 computed to the next higher multiple of one dollar (\$1).

5 (d) (1) For periods of disability commencing on or after
6 January 1, 2000, if the amount of wages paid an individual for
7 employment by employers during the quarter of his or her
8 disability base period in which these wages were highest exceeds
9 one thousand seven hundred forty-nine dollars and twenty cents
10 (\$1,749.20), the weekly benefit amount shall be equal to 55
11 percent of these wages divided by 13, but not exceeding the
12 maximum workers' compensation temporary disability indemnity
13 weekly benefit amount. ~~If~~

14 (2) *Notwithstanding the maximum workers' compensation*
15 *temporary disability indemnity weekly benefit amount of*
16 *paragraph (1) of subdivision (d), if* the benefit under this
17 subdivision is not a multiple of one dollar (\$1), it shall be
18 computed to the next higher multiple of one dollar (\$1).

19 ~~SECTION 1.~~

20 SEC. 2. Section 10214.5 of the Unemployment Insurance
21 Code is amended to read:

22 10214.5. (a) The panel may allocate up to 10 percent of the
23 annually available training funds for the purpose of funding
24 special employment training projects that improve the skills and
25 employment security of frontline workers, as defined in
26 subdivision (a) of Section 10200. Notwithstanding any other
27 provision of this chapter, participants in these projects are not
28 required to meet the eligibility criteria set forth in paragraph (1)
29 of subdivision (a) of Section 10200 or subdivision (c) of Section
30 10201.

31 (b) The panel shall, on an annual basis, identify industries and
32 occupations that shall be priorities for funding under this section.
33 Training shall be targeted to frontline workers who earn at least
34 the state average weekly wage.

35 (c) The panel may waive the minimum wage provisions
36 pursuant to subdivision (f) of Section 10201 for projects in
37 regions of the state where the unemployment rate is significantly
38 higher than the state average, and may waive the employment
39 retentions provisions specified in subdivision (f) of Section
40 10209 and instead require that the trainee has been retained in

1 employment for a minimum of 90 days out of 120 consecutive
2 days after the end of training with no more than three employers.

3 (d) (1) The panel may allocate funds pursuant to subdivision
4 (a) to increase the productivity and extended employment
5 retention of workers in the state's major seasonal industries.

6 (2) In funding special employment training projects for this
7 purpose, the panel may do all of the following:

8 (A) When the amount of the postretention wages of each
9 trainee who has completed training exceeds the amount of wages
10 that the trainee earned before and during training, waive the
11 minimum wage requirements set forth in subdivision (f) of
12 Section 10201.

13 (B) Waive the employment retention requirements set forth in
14 subdivision (f) of Section 10209 and instead require that the
15 trainee be retained in employment for not less than 500 hours
16 within the 12-month period following the completion of the
17 training.

18 (C) When the panel finds that the training is necessary to
19 achieve the objectives of vocational training, waive the limitation
20 on job-related basic and literacy skills training set forth in
21 subdivision (a) of Section 10209.

22 (3) For purposes of this section, "major seasonal industries"
23 means eligible employers who satisfy all of the following
24 requirements:

25 (A) Have a workforce comprised of at least 50 percent of
26 workers whose employment period is necessarily cyclical,
27 including, but not limited to, businesses directly involved in the
28 harvesting, packing, or processing of goods or products.

29 (B) Have retained at least 50 percent of the same seasonal
30 employees for at least one season of not less than 500 hours for
31 the preceding 12-month period.

32 (C) Pay wages and provide benefits that exceed industry
33 averages.

34 (e) The panel shall adopt minimum standards for consideration
35 of proposals to be funded pursuant to this section.

36 (f) The panel may select contracts funded under this section
37 based on competitive bidding.

38 (g) It is the intent of the Legislature in providing the authority
39 for these projects that the panel allocate these funds in a manner

- 1 consistent with the objectives of this chapter as provided in
- 2 Section 10200.

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